

## Message Text

LIMITED OFFICIAL USE

PAGE 01 GENEVA 00104 051631Z  
ACTION EB-08

INFO OCT-01 IO-13 ISO-00 STRE-00 OIC-02 AGRE-00 CEA-01  
CIAE-00 COME-00 DODE-00 FRB-03 H-01 INR-07 INT-05  
L-03 LAB-04 NSAE-00 NSC-05 PA-01 CTME-00 AID-05  
SS-15 STR-05 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02  
SOE-02 OMB-01 DOE-11 AF-10 ARA-10 EA-10 EUR-12  
NEA-10 /155 W

-----075944 051647Z /46

P 051440Z JAN 78  
FM USMISSION GENEVA  
TO SECSTATE WASHDC PRIORITY 4521  
INFO ALL EC CAPITALS

LIMITED OFFICIAL USE GENEVA 00104

PASS ELECTRONICALLY USDA/FAS WASHDC FOR HATHAWAY  
AND SAYLOR AND STR FOR STARKEY

E.O. 11652: N/A  
TAGS: GATT EC  
SUBJECT: JANUARY 6 EXPORTERS MEETING -  
GRAIN RIGHTS VIS-A-VIS THE EC

1. WE UNDERSTAND THAT AT THE JANUARY 6 EXPORTERS  
MEETING IN WASHINGTON, CANADA MAY WISH TO DISCUSS  
THE QUESTION OF HOW TO HANDLE THE SO-CALLED GRAIN  
STANDSTILL RIGHTS VIS-A-VIS THE EC. IT WILL BE  
RECALLED THAT THESE RIGHTS HELD BY THE U.S. AND  
CANADA RESULT FROM THE 1960 AND THE 1973 24:6  
NEGOTIATIONS WHICH FOLLOWED THE FORMATION AND THE  
ENLARGEMENT OF THE EC. THE FOLLOWING IS BACKGROUND  
INFORMATION IN CASE THE TOPIC IS RAISED AT THE  
EXPORTERS MEETING.

2. THE CANADIAN DELS HAVE REPEATEDLY STATED  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 GENEVA 00104 051631Z

THAT THEY WISH TO SETTLE THESE ISSUES ONCE AND  
FOR ALL EITHER IN THE COURSE OF THE MTN OR  
CONCEIVABLY WITHIN THE CONTEXT OF A NEW WHEAT  
AGREEMENT.

3. WE BELIEVE THAT THE SO-CALLED STANDSTILL  
AGREEMENT WITH RESPECT TO QUALITY WHEAT SIGNED

IN MARCH 1962 BY THE U.S. AND THE EC RESEMBLES CLOSELY THE CANADIAN AGREEMENT WITH THE EC SIGNED AT THAT TIME. HOWEVER, AT THE CONCLUSION OF THE ARTICLE XXIV:6 NEGOTIATIONS IN 1974, CANADA TOOK A STRONGER STAND ON THE PRESERVATION OF ITS GRAIN RIGHTS THAN THE U.S. DID AT THAT TIME.

4. THE EC IN 1974 TOOK THE POSITION VIS-A-VIS THE U.S. THAT THE OVERALL CONCESSIONS IT OFFERED IN THE THEN CONCLUDED 24:6 NEGOTIATIONS PROVIDE FULL COMPENSATION FOR THE WITHDRAWAL OF THE CONCESSIONS WHICH THE U.S. HAD PREVIOUSLY OBTAINED WITH RESPECT TO WHEAT, RICE, BARLEY, CORN AND SORGHUM FROM THE U.K., DENMARK AND IRELAND.

5. BY CONTRAST, THE EC ALWAYS HAS TAKEN A VERY SERIOUS VIEW OF THE RIGHTS WITH RESPECT TO QUALITY WHEAT HELD BY THE U.S. AND CONFIRMED BY THE 1962 AGREEMENT. THE EC HAS OFTEN EXPRESSED CONCERN THAT THE U.S. HAS A "DROIT D'EGARD" IN THIS RESPECT. INDEED, UNLIKE THE 1962 U.S.-EC STANDSTILL AGREEMENT ON OTHER GRAINS, THAT ON QUALITY WHEAT PROVIDES INTER ALIA THAT THE COMMUNITY "DOES NOT EXCLUDE NEGOTIATIONS ON THE MAXIMUM LEVEL OF THE LEVY OR THE LEVIES." LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 GENEVA 00104 051631Z

6. IT SHOULD BE ALSO RECALLED THAT NEGOTIATIONS BASED ON THE 1962 GRAINS STANDSTILL AGREEMENT HAVE BEEN SUSPENDED DURING THE KENNEDY ROUND. HOWEVER, DURING THE EARLY SEVENTIES TWO CONSULTATIONS ON THESE ISSUES HAVE BEEN HELD WITH THE EC. THE EC HAS ALWAYS CONTENDED THAT NEGOTIATIONS ON THESE ISSUES SHALL BE UNDER ARTICLE XXVIII. THEREFORE, THESE ISSUES, ACCORDING TO THE EC, CANNOT BE THE SUBJECT OF THE MTN.VANDEN HEUVEL

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EXPORTS, MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 05 jan 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978GENEVA00104  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780008-0848  
**Format:** TEL  
**From:** GENEVA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t19780198/aaaadehu.tel  
**Line Count:** 105  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 39d68be6-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3826110  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** JANUARY 6 EXPORTERS MEETING - GRAIN RIGHTS VIS-A-VIS THE EC  
**TAGS:** OCON, EC, US, CA, GATT  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/39d68be6-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014